GOVERNMENT OF INDIA
CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:5918
ANSWERED ON:04.05.2000
NOMINATION OF OFFICERS IN CONSUMER COOPERATIVE SOCIETIES
RAMJI MANJHI

Will the Minister of CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government nominates its officials on the Board of Directors of the Consumer Cooperative Societies in Delhi as Chairman and Directors on part time basis;

(b) if so, the duties assigned to the Chairman and Directors and perks facilities enjoyed by them;

(c) whether such part time Chairman and Directors have powers to interfere in the day to day administration and business of those societies or to chair the meetings of the Board of Directors only; and

(d) the number of cases of abuse of authority by the Chairman and Directors of those societies which have come to light during the last three years, year-wise and the action taken thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION

(SHRI V. SREENIVASA PRASAD)

(a): In terms of Section 41 of the Multi State Cooperative Societies Act, 1984, the Central Government or a State Government has a right to nominate on the Board of Directors of such Society where the Central Government or the State Government has subscribed to the share capital of a multi-state cooperative society or has guaranteed the repayment of principal and payment of interest on debentures issued by a multi state cooperative society or has guaranteed repayment of principal and payment of interest on loans and advances to a multi state cooperative society. The number of persons to be nominated on the Board has to be made as may be prescribed in the bye-laws of the Society.

(b) & (c) The duties of the Chairman and the Board of Directors are also defined in the respective bye-laws of the Multi State Cooperative Societies. Section 42 of the MSCS Act, 1984 also defines the powers and functions of the Board of a Multi State Cooperative Society.

(d) In the case of Super Bazar, Delhi, certain cases of irregularities by the ex-Chairman in to the business and other administrative activities were noticed. These matters are being inquired / investigated by the Central Registrar of Cooperative Societies and the C.B.I.